

**Tax Increment Financing (TIF) District Advisory Board**  
**1.04.07 Meeting minutes (Draft)**  
**Town Hall Board of Selectmen's meeting room**

Present:

Tom Brennan

Jim Dannis

George Infanti

John McCormack

Jack Ruonala

Dave Roedel

Absent:

Len Mannino

Bill Parker, Director Community Development/TIF Administrator

Shirley Wilson, Recording Secretary

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John McCormack opened the meeting at 7:30AM, read the agenda and highlighted the "to do" items of the last meeting.

- Bylaws and the role of the Board
- Circulate the economic impact study by Mark Fougere
- MIDC recommendation for the warrant article
- Dig out background traffic studies and maintain an ongoing progress file
- Rezoning; consideration from the State in terms of access to the property and other support
- Engage the university for more information or studies
- Contact Brad Vear
- Kick start the process by going out to a small subset of firms
- Update the Phase I Brox property study with current infrastructure costs

**Minutes**

G. Infanti suggested a correction to item #3 on page 2 to remove one "us" and J. Dannis also submitted a few minor changes to the December 14<sup>th</sup> minutes. The 11/2/06, 11/30/06, and the 12/14/06 minutes were then accepted by consensus.

**Discussion with Brad Vear, Vear Commercial properties**

J. McCormack recognized Brad Vear of Vear Commercial Properties who began by saying that changing the zoning to Commercial or ICI-II would be a valuable step in the right direction. The property thus far has been marketed as a large tract of industrial land in a good location, but with some access issues and our primary target market has been developers. There has not been much interest from the large users who want to purchase 10-20 acres of industrial land with existing vacant buildings and accessible land out there that wouldn't have the extensive infrastructure costs as the Brox does. B. Vear then distributed copies of his marketing material and a confidential list containing the targeted companies; developers, builders, and engineers that the information was given to. The list was extensive but there has not been much feedback. B. Vear added that the information has been put out there and if there is interest, his website has additional downloadable information. The list goes back a couple of years and some additional developers have been left off, but this is an on-going list; mailings and emails have been sent out at various points in time. B. Vear then commented on the inquiries. There has been a recent inquiry, out of the blue, maybe because of the possible rezoning, where the developer asked if this property could be put this under option pending rezoning and if so, how would we do that. Elmer Pease also expressed some interest similar to that of Land Quest last spring, although he did not pursue anything further. He did like the TIF concept; however, he was busy and was not ready for such a large undertaking. B. Vear confirmed that access to the property was always a main topic of conversation because there is only so much access from Perry Rd and the discussion always turns to the costs of getting to the bulk of the site. He liked the

Board's thinking in getting an updated cost from CHA for the infrastructure costs and said that would be valuable because we have been quoting that study. B. Parker said that should be coming right away; we have been in contact since last week regarding the costs and timetable to do the updates for Phase I. B. Vear said he hoped that they were looking at a cost efficient approach and not go overboard. A. Hicks said that they would probably tweak what has already been done. B. Parker added that they calculated a number of 1.36 million last year.

J. McCormack stated that we are never sure where the customer may come from and inquired if it would be worthwhile to re-notify the folks on the list of our possible rezoning. B. Vear said rezoning would change the target market and in turn expand the list to include retail developers. We did have some conversations with SR Winer a while back, but they did not want to try for the variance needed. Rezoning would be exciting and would bring in a whole new game.

J. Dannis asked if the price had been set differently, net the infrastructure cost; would it have sold at \$750,000? Was it price or industrial demand? B. Vear said that would be hard to say, but he didn't think price was the issue. Big interests concentrate on getting development going now, not waiting for infrastructure. A. Hicks noted that the 2 million selling price was for everything; the 1.3 million was for the first of the three (3) phases. B. Vear said that every now and then he will get a call from a developer looking for large properties throughout the country and this comes up on the radar, but when they find out about the infrastructure costs and the lack of access, the interest is gone. If the interest would go beyond the initial conversation, a meeting at the site is then arranged and over the past few years, he has had six (6) to eight (8) meetings; four (4) with return visitors, early on in the game. Land Quest has been the most recent.

G. Infanti said that the property has been on the market for a long time at a set price. What would the rezoning do to the value of the property? B. Vear said it could possibly increase the value with a higher demand; however, the one hundred twenty-one (121) acre site is a teaser as only seventy-five (75) acres are useable. There is a high water table on that property and the buildable land is spread out. J. McCormack noted that development is moving west and maybe now is the time to be in the path of progress. B. Vear agreed.

A. Hicks inquired if the rezoning would be on the ballot. B. Parker replied that the Planning Board will hold their first official public hearing on the rezoning on January 9<sup>th</sup>. The Board was not in unanimous agreement yet, but hopefully they will let the voters decide. G. Infanti said there was a general consensus that there is interest out there and the rezoning is important for the town, the tax base and to keep the property from just sitting there; it would be a travesty if the Planning Board didn't bring it to the voters to let them decide. B. Parker said our warrant articles generally state whether there is support from the Board or not. B. Vear pointed out that that if you develop a two acre parcel as ICI-II versus Industrial, the incremental taxes would be greater with ICI and would probably serve this Board well. J. McCormack said that point has already been circulated but the offset is the issue of greater traffic and the load that might place. J. McCormack also said that we already decided a recommendation would go forward from this group strongly endorsing the rezoning to ICI and maybe now we have some additional support based on the input from our efforts to sell thus far. B. Vear said he was impressed by the activity this Board is generating. J. McCormack thanked Brad for his time.

Later in the meeting, J. McCormack said that although Brad was not very well prepared, he did show us some information; we have had some hits and several meetings. He also said there would be greater interest with rezoning to the ICI-II. B. Parker confirmed that his contract was renewed in May and that he actually works for the Selectmen. G. Infanti said his feeling was that we should give him the opportunity to market the property once we have all the proposed tools in place and see what he can do. When May comes around, we can take another look. A. Hicks mentioned that Brad was the only agent to apply for the job; no one else expressed any interest. J. McCormack suggested that Brad outline his proposal and plan and J. Dannis suggested getting monthly updates from Brad. D. Roedel noted that most of the names on the list provided by Brad were

consultants and engineers, local people not large developers. There is a distinction between developers and construction contractors and several names from the list were discussed. D. Roedel said Brad has a new opportunity with these tools and deserves a chance.

### **Proposed TIF Bonding Warrant Article**

B. Parker distributed copies of the MIDC draft warrant article and stated that Bill Drescher reviewed the original draft and came up with this proposed wording. It allows the Selectmen to issue bonds for on the Phase I development plan based on the five conditions listed on the second page. B. Parker read the conditions and discussions ensued:

***A. The terms and conditions of the issuance of the bonds or notes authorized by this article shall comply in all respects to the requirements of RSA 16-K:8 relative to the issuance of bonds pertaining to a Tax Increment Financing District Development Plan; and***

B. Parker said this simply states that the bonds will be issued in accordance with all state statutes.

***B. No bonds or notes shall be issued by the Selectmen unless and until they are in receipt of an executed development agreement between a project developer and the Board of Selectmen which, in the opinion of the Board of Selectmen, constitutes a bona fide proposal to develop a property within the district.***

B. Parker said this was put in primarily to assure the public that there would be something in place. J. McCormack said that was interesting because this wording suggests the project would have to engage most of the property, a large scale project. Would it be practical to develop only a portion of the infrastructure? B. Parker said that could be reviewed. A. Hicks noted that this doesn't mean it will cash positive to the town; it leaves it open to this committee and the Board of Selectmen to determine if it would be in the best interests of the town. B. Parker noted that the development plan was based on the sale of the entire property and also stated that public hearings would be required, over and above this vote if we go forward, to answer some of these questions.

***C. No bonds or notes shall be issued by the Selectmen unless and until the infrastructure expansion has been conceptually approved by the planning board and, (to the extent that such expansion implicates water and/or sewer infrastructure), the Water and Sewer Commissioner of the Town of Milford.***

No discussion.

***D. The tax increments that shall be used hereunder shall be established pursuant to an in a manner compliant with the process outlined in RSA 162-K:10.***

No discussion.

***E. The authorization hereunder shall be non-lapsing and, in accordance with 32:7, III, shall not shall not lapse until the fulfillment of the purpose or completion of the project being financed by the bonds or notes or five (5) years from the date of approval, whichever first occurs.***

J. McCormack said that the wording was confusing using both ***non-lapsing*** and ***will lapse in five years*** in the same sentence; we should rethink and maybe simplify the wording. We also listed ***shall not*** twice.

B. Parker advised the Board that they had an appointment with the Board of Selectmen on Monday at 7:00PM.

J. McCormack said point B will provoke discussion because you can't begin development in the center of the site. B. Parker noted that the most likely area would be the southerly parcel by the Hendrix piece and a discussion regarding revenue generated versus infrastructure set up costs followed. J. McCormack also said that we should augment the introduction to include the original concept, where this thing has evolved and where we should be going from here.

T. Brennan said that forwarding this warrant article on, is based on a lot of faith in the Board of Selectmen. A. Hicks stated that timing can make any project possible and this warrant article would give the Board of Selectmen the authority. The hearing on this article will be Monday January 15<sup>th</sup> and we will have to sell this. J. Dannis said that was the key point, we have to sell this not only to the Board of Selectmen, but also to the taxpayers and to do that we will need to have a concise, simple, easy explanation. Point #1; we will need to explain the TIF District, how it operates and provide rough numbers. Point #2; it comes down to trust. We just basically need to say that if something comes along this will be a tool on the shelf to use, but you have to trust these people to be ready to go and to do what is in the best interests of the town.

D. Roedel agreed that we could sell this article as a tool, just like rezoning, by which we can help promote and market the property. We would then give an example to show the breakeven point. J. Dannis then inquired if we could use all or just a portion of the revenue. B. Parker said he thought we could use all the money, but will make sure. A. Hicks said that we could use all of it, but all of it may not pay off the bond and initially there probably will be a negative cash flow. That is why the whole town would have to accept this good faith move. J. McCormack said the wording is there, but we need to be consistent. J. Dannis said that some of the money would need to go for general property services as well as the TIF fund, so there would be some negativity up front, but ultimately the end game all works. We also should be able show this supported by practice somewhere else. D. Roedel said that we should explain to the people of Milford that they would be making an investment in property that they currently own, for future development. M. Reeve added that they should also be reminded that they are already paying for this idea. T. Brennan agreed that we should explain the end game to the taxpayers. J. McCormack said it was also important to explain the vision and to look at the cost of carrying this property over the years. We need to make a good case that this is a good project, and combined with rezoning this becomes more viable.

T. Brennan asked how will we pull this off and tap into opportunities. He then said that he gets up in front of 160 people at work and 100 of them are taxpayers; it would not be illegal or immoral for him to say what Hendrix's position would be. If we could put the end game into the hands of every business person and say here's what it does to your taxes and all we're trying to do with these tools is accelerate the process and get to the end game quicker. The Selectmen may be more comfortable knowing that business leaders would be promoting this. B. Parker also suggested tapping into the Chamber of Commerce. D. Roedel said he would be willing to approach the chairman, Cliff Harris; lobbying is part of their job.

G. Infanti said he has heard from some business owners on the oval who were concerned that the rezoning would change the downtown area. G. Infanti added that he felt something like this in the TIF District would not shut down or even have much affect on businesses at the oval and did not see any negatives, or parallels. They are totally separate issues.

J. Dannis said all the ideas discussed today were really great, especially Tom's, and if we could get a couple of businesses to write letters in support of this by Monday for the Selectmen's meeting, they would have the sense that that this article was thought about carefully by serious individuals in the business community. B. Parker said he would work on the one page summary document and would appreciate help in calling around to area businesses. A. Hicks said that we wouldn't have to do all this by Monday, what we have to do is sell this between now and the town vote in March; the hearings don't really have much of a turn out. B. Parker invited this board and members of the MIDC to speak on behalf of this article at the Planning Board meeting on Tuesday the 9<sup>th</sup>. G. Infanti reiterated that it wouldn't be fair to not forward this on to the taxpayers and mentioned that Selectmen Pickett suggested a petition warrant article over a month ago and the sense was that we didn't want to submit a petition article that might offset something the Planning Board has drawn up, negating it one or just making it too hard to understand. It should be out there for the voters to decide.

A. Hicks said that the MIDC has no position on the zoning changes; however, he thought that our property agent, Mike Monks, was not in favor of rezoning. He was cautious that if we start commercially, we would close out the possibility of industry. B. Parker agreed that Mike's concerns were with mixing commercial and industrial and added that he was warming up to the idea. A discussion regarding the mixed use possibilities followed.

D. Roedel inquired what the inherent risks were. A. Hicks said much of this selling job will be verbal because it's difficult to see and understand numbers on a wall from a power point presentation at the deliberative session. M. Reeve said that when you get down to it, selling is nothing more than helping somebody buy. We should provide a list of advantages to do this and a list of disadvantages if we don't do this. J. Dannis reiterated that a one page summary is so key. J. McCormack said we should simplify the understanding of this article in the preamble, and simplify the wording in the points, that come after. We also need to encourage the rezoning at the same time to give this property a better success rate. J. Dannis suggested promoting this to the Planning Board and the Selectmen as a package deal; all things recommended are tied together and will work together. G. Infanti said it would be beneficial for the Board of Selectmen to see a one page synopsis from this Board as to why we recommend this article and why the Selectmen should support it.

#### **Draft by-laws**

J. McCormack said that the bylaws are a little more formal than need be; this is an advisory committee. Do we need the treasurer and vice chairman positions and should we provide some explanation of the TIF district and how we came about. John and Bill will work on streamlining the by-laws. M. Reeve suggested adding a mission statement.

#### **Update on proposed rezoning of West Milford Industrial area**

B Parker said that the rezoning would be from Industrial to ICI-II and explained the significant changes; the proposed district would not allow adult entertainment, but would allow commercial recreational facilities and motor vehicle sales facilities as acceptable uses.

J. Dannis said his perception was that the definition of motor vehicle sales was raising some questions. B. Parker explained the reasoning behind the definition and said that the Planning Board had concerns with a petition warrant article to allow retail in an area along Nashua St. The Board did not want to see car sales there and the simplest way to eliminate car sales, if they did support the warrant article, would be to define the use separately and then it wouldn't be part of retail. G. Infanti asked why motor vehicle sales would have to be allowed in the ICI-II. B. Parker said they wouldn't have to. J. Dannis said maybe we shouldn't get behind one element that may be unnecessarily controversial. Is it the right thing to do? G. Infanti said the location would be ideal for an AutoFair; look at the exposure. A discussion on car lots followed. J. Dannis inquired if a car dealership was a good use for a TIF district. T. Brennan said they use a lot of space, but there is probably not much tax revenue. J. McCormack said that each use would be looked at case by case and what makes sense from a revenue generation standpoint, as that is our objective. G. Infanti said that for the Planning Board meeting, he would hate to see this zoning change get hung up or turned down because of this one item. We should just take it out. J. Dannis said we should be flexible and compromise on the issues.

#### **Development of market knowledge**

B. Parker said he had nothing further to add. J. McCormack said it would make sense to ask Brad to identify some key people. G. Infanti suggested contacting some key players before the vote and get the word out there to say, look what we're doing. J. Dannis said the Board of Selectmen would be thrilled to see some momentum.

D. Roedel informed the Board that he spoke to his contact at Conover explaining that he was on a special committee and asked if they would be willing come in, as a developer, to say this is the type of thing we look at and this is normally how we do a deal. Their reaction was positive and he will try to set up a meeting within the

next month. D. Roedel also said that we would probably get the same reaction from other developers. It was noted that if we brought someone to the table, Brad would still get his commission as he is under contract. J. Dannis again stated that the Selectmen would be thrilled to see progress. This is a tremendous effort in terms of focus and talent being brought to this; on behalf of the Selectmen he would like to thank this Board.

J. McCormack provided a summation of today's meeting.

The warrant article for bonding; we need clarification and a one page summary sheet that he and Bill will work on for next week's Board of Selectmen's meeting.

Rezoning; we should bring the Planning Board up to speed with all the work done by the MIDC and TIFD Advisory Board at next week's Planning Board Public Hearing.

By-laws; we will revise the current draft.

Marketing strategies; Dave getting us some face time with developers.

Important upcoming meetings;

January 8<sup>th</sup>, 2007 – BOS meeting to review warrant articles 7:00PM

January 9<sup>th</sup>, 2007 – Planning Board public hearing for zoning changes 6:30PM

January 11, 2007 – TIFD Advisory Board meeting 7:30AM

January 15<sup>th</sup>, 2007 - Budget & Bond hearing 7:00PM

The invitation was put out to anyone from this Board to come and speak in support and sell both of the warrant articles as a package.

#### **Other Business:**

Next meeting scheduled for, 7:30 AM in the Board of Selectmen meeting room.

#### **To do items:**

- ⇒ Revise the preamble and wording in the points of the bonding article
- ⇒ Draft a one page synopsis to explain and support the bonding article.
- ⇒ Support for the rezoning warrant article.
- ⇒ Support for the TIF bonding warrant article.
  - ◆ Sell both articles as a package to the taxpayers for the March vote.
  - ◆ Explain the end game to taxpayers, Boards and the community at large.
  - ◆ Contact the Chamber of Commerce to help us lobby.
  - ◆ Get this out to the leaders of the business community to show their support.
- ⇒ Ask for a proposal and plan from Brad Vear to re-market this property as well as a list of key players.
- ⇒ Revise the draft by-laws.
- ⇒ Coordinate meeting with Conover Development.
- ⇒ Update the Phase I, Brox industrial property study.

#### **Continuing items:**

- ⇒ Maintain an on-going progress file.
- ⇒ Get monthly updates from Brad Vear.
- ⇒ State support and the ten year plan for access to the property.

The meeting was adjourned at 9:05AM.